Saskatchewan Exploration and Development Highlights 1999

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Surface mineral exploration expenditures are estimated at $29 million in 1999, a decrease of $1 million over the actual 1998 figure (Table 1). Uranium exploration in 1999 is projected to decline by $6 million or 27 percent; this contrasts with estimated development expenditures of $204 million at the Cigar Lake, McClean Lake, McArthur River, and West Dominique Janine properties. In 1999, McClean Lake began production and it is anticipated that McArthur River, which has received its operating license, will also begin producing before year-end. Another highlight was the opening of Hudson Bay Mining and Smelting Co., Limited's Konuto Lake Cu-Zn Mine at Denare Beach near Flin Flon. Base metal exploration expenditures are expected to increase by 43 percent principally due to drilling by Foran Mining Corporation at McIlvenna Bay. Base metal development expenditures, mostly related to the Konuto Lake Mine, are estimated at $18 million. Exploration expenditures on gold and diamonds remain low.

Table 1 - Exploration Expenditures.

	1998 actual	1999 estimated
Uranium	22 (251)	16 (204)
Gold	3	2
Base Metals	4 (11)	7 (18)
Diamonds	1	2
Other	0	2
Total	**30**	**29**

Notes: Figures are rounded to the nearest million dollars. Development expenditures are in brackets.

URANIUM

In 1999, Saskatchewan continued its preeminence in uranium production accounting for 100 percent of Canadian and approximately 32 percent of world output. This year was also a transition year marked by the development and commissioning of a new generation of mines in the Athabasca Basin as reserves at historical producers were depleted. At McClean Lake, production began in June and in October the Atomic Energy Control Board (AECB) approved an operating license for McArthur River. Production there is scheduled to begin before year-end.

The average uranium spot price for the first nine months of 1999 was US $9.90/lb U_3O_8. Although this had dropped from US $10.41/lb at the end of June 1999, the price is still higher than US $8.75 realized at year end 1998. Lower uranium prices and high-reserve inventories account for the decline in exploration budgets.

Cameco Corporation is the key player in uranium mining and exploration in Saskatchewan, still controlling 57 percent of currently identified reserves following the corporation's sale of selected uranium assets for approximately $250 million to Cogema Resources Inc. The principal assets Cogema acquired were an additional 14 percent of McArthur River, 17 percent of Key Lake, and an additional 14.5 percent of Midwest Lake. Cameco is owned 90.59 percent by public shareholders and 9.41 percent by the Saskatchewan government.

The Saskatchewan Mining Association reported that Saskatchewan's mines produced 10 924 t U (28.4 million lb U_3O_8) in 1998, down nine percent from 1997. Reserve and production figures for operating facilities are presented in Table 2. Currently identified reserves within the Athabasca Basin are sufficient to sustain production well into the next century.

Over a dozen companies acting either independently, or in joint venture programs, are exploring for uranium. Exploration in all parts of the Athabasca Basin is aimed at the discovery of other high-grade and large tonnage unconformity-type deposits. Although exploration is concentrated in the east and southeast, there are also important programs in the northwest and north of the Athabasca Basin. Without doubt, discovery potential remains high. In early October, Cameco Corporation announced that drilling completed in the winter and summer of 1999 on the La Rocque Lake claims, intersected significant uranium mineralization at depths of about 280 m in three holes: DDH 34 - 6.95% U (8.2% U_3O_8) over 3.6 m; DDH 40 - 25.36% U (29.9 percent U_3O_8) over 7.0 m; and DDH 42 - 16.2% U (19.1% U_3O_8) over 2.5 m. The mineralized zone was reported to have a length of at least 200 m. The La Roque Lake claims are part of the Dawn Lake joint venture owned 57.466 percent by Cameco Corporation, 23.086 percent by Cogema Resources Inc., and 19.44 8 percent by PNC Exploration (Canada) Co. Ltd.

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Rabbit Lake

Cameco Corporation, operator (100 percent).

In November 1998, Cameco announced that the Rabbit Lake Mill would be operated at one half-capacity producing 2308 t U (6 million lb U_3O_8) in 1999. Past production had steadily increased from 2885 t U (7.5 million lb U_3O_8) in 1994 to 4616 t U (12.0 million lb U_3O_8) in 1997 then declined slightly to 4500 t U (11.7 million lb U_3O_8) in 1998.

Originally the Rabbit Lake operation was scheduled to close early in the next decade following the depletion of ore. Now the owners of the Cigar Lake project have agreed in principle to process 57 percent of the Phase 1 Cigar Lake ore in the Rabbit Lake mill. This agreement is subject to regulatory approval. Implementation will extended the life of the Rabbit Lake Mill by an additional 15 years.

The slowdown in Rabbit Lake production was accompanied by the decision to suspend mining at Eagle Point on March 31, 1999. Ore stockpiled on surface will be milled gradually. The mill will shut down in 2001 to facilitate modifications required to handle the Cigar Lake ore. The mill is expected to produce 3080 to 3850 t U (8 to 10 million lb U_3O_8) annually once the milling of the Cigar Lake ore begins. At that point mining at Eagle Point will resume and is expected to last for 2 to 3 years.

Table 2 - Published reserves from Saskatchewan uranium mines.

Owner(s)*	Property/Deposit	Reserves (t U) (Unstandardized)	Grade percent U	Production (t U) 1998***	1999***
	RESERVES**				
Cameco Corporation	Rabbit Lake			4500	2308
	Collins Bay B stockpile	66	0.3	–	–
	Collins A stockpile	3 057	6.3	–	–
	Eagle Point	11 155	0.9	–	–
Cameco Corporation	Key Lake Deilmann	4 770	0.95	5385	3731
Cameco Corporation–COGEMA Res.	McArthur River P2N	98 161	14.7	–	–
Cigar Lake Mining (Cameco Corporation–COGEMA Res.–Idemitsu–TEPCO KEPCO)	Cigar Lake	136 000	11.5	–	–
COGEMA Res.	Cluff Lake*****	3 180	0.74	1040	1000
COGEMA Res.–Denison–OURD	McClean and SUE Trend	11 787	2.0	–	654
COGEMA Res.–Cameco Corporation–Denison–OURD	'Midwest'	13 770	3.8	–	–
	RESOURCES**				
Cameco Corporation	Eagle Point	2 425	0.8	–	–
Cameco Corporation–COGEMA Res.–PNC–KEPCO	Dawn Lake	8 600	1.4	–	–
Cameco Corporation–COGEMA Res.	McArthur River P2N	87 600	10.2	–	–
COGEMA Res.	Cluff Lake*****	5 427	1.02	–	–
COGEMA Res.–Tenwest–OURD	Midwest	2 270	3.9	–	–
COGEMA Res.–Tenwest–OURD	McClean and SUE	9 462	1.2	–	–

Notes:
* Operator first.
** "Reserves" and "Resources" are Cameco Corporation definitions. All figures in the table may not be exactly comparable.
*** 1998 production figures from Cameco Corporation annual report in those cases where they control the deposit.
**** 1999 production is estimated.
*****as of January 1, 1999.

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Cluff Lake

COGEMA Resources Inc., operator (100 percent).

In 1998, COGEMA Resources Inc. announced plans to suspend operations indefinitely at the Cluff Lake mine in 2000. A decommissioning plan, for those facilities not required for the future restart of operations, has been submitted to the regulatory agencies.

Although exploration has ceased on the mining lease, a significant development drilling program was completed in the Dominique-Janine (DJ) underground mine from the 180 m level.

Production in 1998 dropped to 1040 t U (2.7 million lb U_3O_8). Total mine production to January 1, 1999 was 19 576 t U (50.9 million lb U_3O_8) with an average grade of 0.68% U (0.8% U_3O_8) including the pod production test. In June 1999, the mill reverted from half to full time.

The Dominique-Peter (DP), DJ, and West DJ underground mines plus the DJ extension open pit stockpile provided mill feed in 1999. Mill feed is a blend of the low-grade ore from the DJ extension stockpile, grading 0.1 to 0.15% U (0.12 to 0.18% U_3O_8), and higher grade ore from other orebodies. The low-grade stockpile will be processed before the operation's suspension. Significant resources still remain in the West DJ area. Economic DP reserves were mined out by October 1999. The company will pick out and mine only high-grade reserves for the rest of the mine's life. The mining method is undercut and fill.

In the DJ underground mine, a development drill program from the 180 m level was successful in defining poddy, high-grade mineralization between the 220 m and 140 m levels. Locally, in the West DJ deposit grades are higher than anything mined at the DP and DJ mines.

Key Lake

Cameco Corporation, operator (83.333 percent); COGEMA Resources Inc. (16.667 percent).

In 1998, Key Lake retained its position as the world's largest uranium operation, with the production of 5385 t U (14 million lb U_3O_8) from stockpiled ore. The McArthur River project, located 80 km to the northeast of Key Lake, is scheduled to start supplying ore to the Key Lake mill late in 1999, extending mill life a minimum of 20 years. The mill was shut down at the end of June to retrofit it to handle blended ore grading 3.4% U (4% U_3O_8). At that time, stockpiled ore had been depleted by 2885 t U (7.5 million lb U_3O_8) leaving a current stockpile of 2300 t U (6 million lb U_3O_8). After a ramp-up period of a few years, mill production is expected to be 6924 t U (18 million lb U_3O_8) annually. Production in 1999 is estimated to be 3731 t U (9.7 million lb U_3O_8). On November 8, 1999, the AECB announced the renewal of the operating license for the Key Lake mine allowing processing of McArthur River ore.

The Deilmann pit tailings management facility (TMF) will hold the remaining Key Lake tailings and the tailings from McArthur River ore milled at Key.

Cigar Lake

Cigar Lake Mining Corporation: Cameco Resources Ltd. (50.025 percent); COGEMA Resources Inc. (37.100 percent); Idemitsu Uranium Exploration Canada (7.875 percent) and TEPCO Resources Inc. (5.0 percent).

With reserves of more than 350 million lb U_3O_8, at an average head grade of 14 percent, Cigar Lake is the world's second largest, high-grade uranium deposit. It is anticipated that production will begin in 2002, presuming regulatory approvals are obtained, construction completed, and operating licenses received.

The owners propose to develop the Cigar Lake deposit at a capital cost of $400 million. Since the initial test-mining phase was completed in 1993, the project site had been operated on a care and maintenance basis until 1997 when a second phase of test mining commenced. After approval to construct is received from the regulatory agencies, Cameco will become the operator. The owners have agreed in principle to process 57 percent of the Phase 1 Cigar Lake ore 110 km away at the Cameco Corporation operated Rabbit Lake mill and the rest 94 km away at the McClean Lake mill, operated by COGEMA Resources Inc. The first 1923 t U (5 million lb U_3O_8) of Cigar Lake ore will be milled at McClean Lake. A restructured and smaller Cigar Lake Mining Corporation will provide administrative services and monitor the activities of the mine and mill operators.

Mining will be undertaken in two phases: Phase 1, starting in 2001 and lasting 11 years, will deal with the rich eastern part of the ore body; Phase 2 will remove the remainder. After a phased in start-up period of two to three years, the mine will produce up to 6900 t U (18 million lb U_3O_8) annually. During Phase 2, annual production from the lower grade ore will drop to 2300 t U (6 million lb U_3O_8), but will last a further 28 years.

Access to the underground workings is by the No. 1 shaft. A second shaft will provide an alternative access and will be the exhaust outlet for the primary ventilation system. A third shaft is planned for Phase 2. Drifts will be developed on two levels in basement rock beneath the ore body. The ore will be mined in panels from the upper production level using a jet boring, non-entry method within a frozen ore body. The ore, in the form of slurry, will be pumped to surface through specialized cased boreholes.

Under the existing test mine license, the company successfully tested a new mine development system and jet boring tools. Ongoing test work continues in 1999 with a prototype Freeze Drill System. A test in ore of the first production Jet Bore System is proposed for mid-2000.

Midwest Property

Midwest joint ventures: COGEMA Resources Inc., operator (70.5 percent); Denison Mines Ltd. (25 percent); and OURD (Canada) Co. Ltd. (4.5 percent).

Although the Midwest mining project, as described in the 1991 Environmental Impact Study, failed to receive approval, COGEMA Resources Inc., as the new majority and joint venture operator, successfully identified ways to overcome safety and environmental concerns identified during the first review process. Consequently, the federal-provincial panel recommended approval of this project too. Ore will be mined by a jet boring method, previously tested at Cigar Lake and milled off-site at McClean Lake. The new approach addresses the radioactivity and water inflow concerns. Non-entry mining improves radiation protection because the high-grade ore is contained in pipes and tanks. Also, water inflow will be reduced dramatically by ground freezing. Mink Arm of McMahon Lake will not be drained; thus environmental impacts will be significantly reduced. The Midwest mine will produce 2200 t U (5.7 million lb U_3O_8) per year for six years. Following the governmental approvals in 1998 and the start up of the McClean Lake mill in June 1999, a detailed review of the Midwest project is underway to optimize the project.

McClean Lake

COGEMA Resources Inc., operator (70 percent); Denison Mines Ltd. (22.5 percent); and OURD (Canada) Co. Ltd. (7.5 percent).

On June 7, 1999, COGEMA received final approval from the AECB for an amendment to the McClean Lake operating license allowing operation of the JEB mill and a TMF in the 120 m deep mined out Jeb Pit. Final approvals from Saskatchewan Environment and Resource Management (SERM) were also received. The company started feeding stockpiled uranium ore into the McClean Lake mill's grinding circuit on June 22 and the first barrel of yellow cake was produced July 12. By late August, the mill was being fed ore grading 3% U (3.54% U_3O_8) and yellow cake shipments began soon after.

Upon government approval of the Cigar Lake and Midwest Lake projects, a second phase of construction is planned to double the mill's capacity from 2300 t U (6 million lb U_3O_8) to 4616 t U (12 million lb U_3O_8).

On November 8, 1999, the AECB announced that it had issued a license that permits mining of the SUE open pit. Previously, the SUE C pit had been developed to a depth of 80 m, which is immediately above the ore. The SUE C and SUE A deposits will be mined from the same pit. The SUE B deposit will be mined as a separate pit. The SUE deposits will be mined out by 2003. Subsequently, ore will be derived from the Midwest and the McClean underground mines. Milling of both McClean and Midwest ores at the McClean Lake mill will yield a total of 2300 t U (6 million lb U_3O_8) per year.

McArthur River – P2 North

Cameco Corporation, operator (69.805 percent) and COGEMA Resources (30.195 percent).

At the McArthur River Project, construction work is proceeding on schedule and in October, the AECB granted an operating license.

The McArthur River deposit is the largest known high-grade uranium deposit in the world. Through underground drilling, total reserves were increased 35 percent in 1998 to 98 160 t U (255.2 million lb U_3O_8) at an average grade of 14.7% U (17.33% U_3O_8). Resources are 87 600 t U (227.8 million lb U_3O_8) grading 10.2% U (12.03% U_3O_8). Reserves and resources now total 185 784 t U (483 million lb U_3O_8) grading 11.9% U (14.03% U_3O_8). There is significant potential to delineate additional reserves.

Freeze hole drilling is complete around the initial mining area and the freezing system is in operation. Sinking of shaft #2 is complete. Work on shaft #3, scheduled for completion in 2000, is under way. Construction of all surface facilities was completed in September and mine commissioning commenced. The project remains within the feasibility study cost estimates and is on schedule for startup in the fourth quarter of 1999.

Underground development is on the 530 m and 640 m levels. Pod 2 pelite ore will be mined first. The two primary, non-entry mining methods to be used are raisebore mining and boxhole boring. Cameco will contain the ore in a crushing and grinding system on the 640 m level, pump it to surface as a slurry, and then ship it to Key Lake as thickened slurry. The Key Lake mill is expected to produce about 6924 t U per year (18 million lb U_3O_8). Production from McArthur River is expected to begin in late 1999 and continue for approximately 20 years.

GOLD

Claude Resources Inc.'s Seabee mine produced a record 60,200 oz Au in 1998. Since production began in December 1991 and the end of the third quarter in 1999, 410,164 oz Au have been produced.

The principal 1999 gold exploration program was that of Claude Resources Inc. on the Currie Rose property. This property surrounds the Seabee Mine and provides

some of the ore. Claude Resources Inc. also engaged in other exploration programs in the Seabee area. Golden Band Resources Inc. continued their program in the Byers Fault area and Golconda Resources Ltd. has an interesting Sub-Phanerozoic play south of Lac La Ronge. Although there are clearly gold exploration opportunities in the province, less than 10 companies are active compared to over 60 in 1988. Table 3 summarizes past and present production and reserve figures.

Glennie Domain

Seabee Mine

Claude Resources Inc., operator (100 percent).

A record 60,200 oz Au were produced in 1998, an increase of three percent over 1997. The Seabee mine's successful operation continued during the first nine months of 1999 when the operation produced 41,840 oz Au from 184 531 t of ore at an average head grade of 7.35 g/t (0.21 oz/ton). This compares to 42,851 oz Au produced during the same period in 1998 from 169,152 tons of ore, averaging 8.63 g/t (0.25 oz/ton) Au. The nine percent higher mill throughput in 1999 helped offset the decreased grade. The company attributed the reduction in grade to the timing of ore development and extraction, which is a reflection of the policy not to high grade the deposit. Production in 1999 is expected to be between 57,000 and 58,000 oz Au.

A hoisting facility and shaft, which reaches the 395 m level, facilitates ore and waste transport to surface. The ore is processed in a three stage crushing circuit and a two-stage grinding circuit, which is then followed by cyanide leaching. Since production began, more than 1.35 million tonnes have been processed at a recovery rate of 93.2 percent.

Mining in 1998 focussed on the 2C zone between the 110 m and 340 m levels as well as the 2H zone of the 2 mine. Considerable development occurred on the Currie Rose property, west of the Seabee boundary, between the 110 m and 290 m levels. The property is 100 percent owned by Claude subject to a 30 percent net profits interest payable to Currie Rose Resources Inc. after pay out of development and exploration expenditures incurred by Claude to place the property into production. Claude intends to mine a minimum of 30 000 t from the Currie Rose property in 1999, to fulfill contract obligations.

Seabee will continue to operate under a three year mine plan which will focus on the 2C zone at depth and laterally to the west of the Seabee boundary. The company will also mine the 2B zone at depth and the 2D zone to the west of the 2C zone.

The annual ACA Howe International Ltd. report prepared in March 1999 calculated total Seabee and Currie Rose reserves to be 909 000 t at an average grade of 8.29 g/t (0.24 oz/ton) Au. The proven and probable categories show 560 000 t grading 8.97 g/t (0.26 oz/ton) Au. The report also indicates a resource potential of 1.0 million tonnes. All known ore structures at Seabee are wide open to depth.

This positive view of the property's future is well illustrated by a 6000 m, first quarter 1999 exploration drill program on the Currie Rose property. The program targeted vein systems discovered by conventional prospecting during the preceding two field seasons. This drilling intersected a well-mineralized elliptical quartz structure of restricted strike length at the intersection of two vein sets. Two holes in the heart of this structure returned true widths and grade of 17.5 m grading 8.3 g/t (0.24 oz/ton) Au and 20.2 m grading 5.0 g/t (0.15 oz/ton) Au. Both intervals contained higher-grade segments, including 5.8 m grading 22.5 g/t (0.66 oz/ton) Au from the first intersection described.

In addition to the Currie Rose property, Claude Resources Inc. is also continuing to evaluate properties east of the Seabee Mine including Pine Lake and Santoy Lake. At Munro Lake, 6 km northeast of the Seabee mine, Shore Gold Inc., operator (51 percent) and Shane Resources Ltd. (49 percent) plan ground geophysics, followed by detailed prospecting, trenching, and drilling. Previous trench sampling yielded 2.06 g/t (0.06 oz/ton) Au and 0.7% Cu over a 10 m width in what may be a large tonnage, low-grade situation.

Golconda Resources Limited

In an attempt to find the source of high-grade gold values intersected in 1957 drilling, Golconda Resources Ltd. drilled five holes at Ennis Lake, 25 km due south of Meeyomoot Bay on Lac La Ronge. The original discovery was described to contain gold (8.6 g/t (0.25 oz) Au) and magnetite in a conglomerate, 258 m below surface and resting unconformably on Archean basement. These values were obtained from a wildcat hole drilled 4 km from the center of the Ennis Lake magnetic anomaly. Golconda Resources Ltd. 1999 drill program cut magnetite and hematite oxide facies iron formation. No gold values have been reported for core from the iron formation, however, the company reported part of it contained anomalous rare earth elements. Golconda Resources Ltd. has suggested that this prospect is a potential Olympic Dam-type deposit.

La Ronge Domain

Memorial Showing

In 1999 Golden Band Resources Inc. completed a five hole, 509 m drill program on the Memorial prospect approximately 2.5 km northwest of Tower Lake. The objective was to extend a previously discovered gold occurrence to the northeast and to explore the prospect's geometry. The confirmed strike length of

Table 3 - Published reserves from selected Saskatchewan gold properties.

Owner(s)*	Property	Reserves (t) or Production (oz or t)	Grade g/t	Grade oz/short ton
	MINED OR MINED TO DATE			
Cameco Corporation	Contact Lake Mine** Bakos Zone	188,210 oz 1 304 000	8.0	0.23
Cameco Corporation–Starrex–Uranerz Expl. Mining	Star Lake Mine 21+Rush zones**	76,947 oz 182 291	14.7	0.43
Cameco Corporation–Shore Gold	Jasper Mine**	82,697 oz 140 127	18.8	0.55
Claude Resources Inc.	Seabee	410,164 oz***		
Corona Corp.–Int. Mahogany Corp.	Jolu Mine Rod+Mallard**	230,751 oz**** 472 220	14.4	0.42
Golden Rule Res.	Komis	26,885 oz		
Greater Lenora Res. Corp.	Box	64,066 oz		
Pamon Gold Mines–O.G. Macdonald	Prince Albert	4,882 oz		
	RESERVES			
Claude Resources Inc.	Seabee Mine	909 000	8.29	0.24
Greater Lenora Res. Corp.	Box and Athona	12 070 000	1.9	0.055
Kristo Gold	Anglo-Rouyn Mine	1 180 000*****	0.55	0.016
Waddy Lake Resources	Komis+EP	687 300******	10.3	0.3
	RESOURCES			
Cameco Corporation–Golden Rule	Corner Lake	181 500	13.0	0.38
Cameco Corporation–Uranerz Explor. Mining	Contact Lake Bakos zone	92 000	7.5	0.22
Cameco Corporation	Pap SW	233 000	8.0	0.23
Claude Resources Inc.	Seabee	1 004 576***	7.4	0.22
Claude Resources Inc.–Cameco Corporation–Husky Oil	Laural Lake	210 000	15	0.44
Golden Rule Res.	Niko	165 700	4.8	0.14
Golden Rule Res.–Complex Res.	Tower East	922 000	6.9	0.2
Radcliffe Res. Inc.	"North" Lake	2 360 000	2.4	0.07
Petro Plus Inc.	Twin	351 000	6.2	0.18
Tyler Res.–Golden Rule Res.–Cameco Corporation	Weedy B Golden Heart	314 000 687 000	4.8 10.3	0.14 0.3
Waddy Lake Res.	Komis+EP	573 300******	13.4	0.39

Notes:
* Operator first.
** Mined out. Reserves at start up listed plus actual production ounces Au.
*** as of September 30, 1999.
**** Additional 1,500 oz estimated recovered during clean up. Possibly additional ounces were also recovered in the test run.
***** Anglo-Rouyn mine tailings also contain 1.97 g/t (0.058 oz/ton) Ag, 0.15% Cu, and 4.5% magnetite.
****** 1995 Annual Report. Komis mine reserves before production started.

the Memorial zone now exceeds 200 m. Two of the 1999 holes determined that the zone had a northeast strike and dipped 40° to 60° northwest. DDH.MM-11 returned 24 m grading 3.23 g/t (0.09 oz/ton) Au from 12 to 36 m down hole and DDH.MM-12, which undercut DDH.MM-11 by about 25 m, averaged 3.21 g/t (0.09 oz/ton) Au over 15 m from 42 to 36 m.

The other three holes tested the zone's northeast strike extension. The zone, rather than having a linear extension, may follow round the nose of an isoclinally folded iron formation as indicated by magnetometer surveys. Additional drilling would be required to confirm this possibility. "Memorial-type" gold mineralization occurs in the footwall of a sulphide iron formation within metasomatized amphibolites or feldspathized and biotitized pillowed mafic flow rocks. The company's working model, which is similar to that for the Homestake mine in South Dakota, envisages syn-metamorphic mineralization introduced during folding.

Close to La Ronge, the Knudsen family drilled 13 holes on their English Bay gold prospect.

Flin Flon Domain

By the end of 1998, Claude Resources Inc. had earned a 10 percent interest in the 18 900 ha Amisk Joint Venture property (Cameco and Husky). The company anticipates that with further work its earned interest will have risen to 35 percent by the end of 1999. Claude Resources can elect to continue participating within the terms of the option agreement and earn another 35 percent by spending a further $14 million or by presenting a positive feasibility study that will lead to commercial production by 2006. An underground program on the Laural Lake deposit proposed for last year was deferred pending improved metal prices.

Elsewhere in the Amisk Lake area, Claude Resources Inc., drilled five holes to test the Fat and Anomaly veins on the Black Diamond gold showing located approximately 4 km northeast of Laural Lake. This program verified the geological model of a gabbroic complex in contact with a thick sequence of immature sediments. Only limited quartz veining was observed and no significant gold values were returned.

Additionally, Claude Resources had a field crew mapping and prospecting in the West Channel area of Amisk Lake during the summer months. This work resulted in the discovery of several quartz structures that warrant follow-up programs.

Beaverlodge Belt – Rae Province

Goldfields Project

Greater Lenora Resources Corporation, operator (100 percent).

On January 13, 1999 Greater Lenora Resources Corporation announced its intentions to proceed with a small-scale development and production plan for the Goldfields Project. The focus of this new plan is the open pit mining of a part of the Box deposit. This will involve the excavation of 4.3 million tonnes of rock during a period of three to five years and is expected to yield 130,000 oz of gold. To undertake this operation the Goldfields Operating Company has been formed. This company is equally owned by Greater Lenora Resources Corporation, Cantera Mining Limited, and Tomin Resources Limited. The latter two companies will be responsible for securing financing and arranging for contractors. As a part of this project, the Goldfields Operating Company will also complete a feasibility study for the Box and Athona deposits. The Goldfields Operating Company has submitted a new project proposal to SERM.

BASE METALS

Base metal production in Saskatchewan in 1999 came from the Saskatchewan part of the Callinan Deposit and from the newly opened Konuto Lake Mine.

Estimated base metal exploration expenditures in the province are up 42 percent this year compared to 1998; much of this is attributed to Foran Mining Corporation's McIlvenna Bay Project. Exploration programs for volcanogenic massive sulphide (VMS)-type deposits continued in the Flin Flon Domain, Scimitar Lake area of the Glennie Domain, and Sub-Phanerozoic areas to the south of the exposed shield.

Flin Flon Domain

Callinan Mine

Hudson Bay Mining and Smelting Co., Limited, operator (100 percent subject to 6.67 percent NPI with Callinan Mines Ltd.).

The Callinan mine is a VMS deposit that consists of three east-plunging zones (South, East, and North) within a sequence of rhyolitic rocks that are likely equivalent to the host rock ("mine rhyolite") of the Flin Flon Mine. Only the upper part of the Callinan North Deposit extends into Saskatchewan. Since start-up in April 1990, to the end of 1998, the Callinan Mine has produced 4 060 422 t of ore grading 2.08 g/t Au, 23.45 g/t Ag, 1.41% Cu, and 3.59% Zn. Of this amount, 77 651 t grading 1.66 g/t Au, 20.86 g/t Ag, 1.58% Cu, and 4.17% Zn came from the Saskatchewan part of the deposit. In the first eight months of 1999,

11 968 t of ore grading 1.61 g/t Au, 15.39 g/t Ag, 1.40% Cu, and 3.04% Zn came from the North Zone lenses in Saskatchewan. Production for the remainder of the year from Saskatchewan is estimated at approximately 28 000 t of ore. As of January 1, 1999, mineable resources in the Saskatchewan part of the North Zone are 774 493 t grading 1.55 g/t Au, 16.30 g/t Ag, 1.25% Cu, and 3.16% Zn (Table 4).

Konuto Lake Mine

Hudson Bay Mining and Smelting Co., Limited, operator (100 percent).

The Konuto Lake Mine is a VMS-type deposit hosted in a Paleoproterozoic juvenile arc volcanic belt. The northeast-striking, near vertical dipping, and steeply south-plunging deposit has a strike length of 180 m. The mineralization occurs in two concordant sulphide lenses (zones 1 and 3) separated by a chalcopyrite-pyrrhotite stringer zone (zone 2). The ore zones extend from near surface to a depth of 550 m. The ore is being accessed by a 15 percent ramp and the deposit will be mined in three stope blocks using cut and fill methods. As of September 20, 1999, the ramp had intersected the 315 m level of lens 3. From startup in July to the end of 1998, the mine produced 45 531 t of ore grading 1.78 g/t Au, 8.54 g/t Ag, 3.91% Cu, and 1.20% Zn. Subsequently, in the first eight months of 1999, the mine produced 125 708 t of ore grading 1.61 g/t Au, 10.15 g/t Ag, 4.49% Cu, and 1.0% Zn. Production for the remainder of 1999 is estimated at approximately 93 000 t of ore. As of January 1, 1999, the deposit's mineable resources were listed at 1 550 159 t grading 1.84 g/t Au, 8.35 g/t Ag, 4.00% Cu, and 1.20% Zn (Table 4).

Exploration

The Flin Flon Greenstone Belt saw limited base metal exploration in 1999. To test the Callinan Mine west porphyry horizon, Hudson Bay Exploration and Development (HBED) completed five structural drill holes, which were collared in Manitoba and completed in Saskatchewan. HBED also completed two drill holes on the FON Zn-Cu deposit. On ML 5518, HBED completed two drill holes in the Cub Lake area and one at Hillary Lake. Limited ground geophysics was

Table 4 - Published reserves from Saskatchewan base metal properties.

Owner(s)* Venture Operator	Property	Reserves and Resources (Tonnes)	Grade percent Cu	Zn	Pb	Ni	Co	g/t Au	Ag
	INDICATED AND INFERRED RESOURCES								
Foran Mining	McIlvenna Bay:								
	Lens 2 and Upper West	11 400 000	0.94	6.08	0.45	–	–	0.45	24.4
	Copper Stringer Zone	11 700 000	1.79	0.48	–	–	–	0.57	11.9
Hudson Bay Mining	Callinan								
	Sask Portion	774 493	1.25	3.16	–	–	–	1.55	16.3
Hudson Bay Mining	Konuto Lake	1 550 159	4.00	1.20	–	–	–	1.84	8.3
	GEOLOGICAL RESOURCES								
Leader Mining International Inc.	Knife (Mokoman) Lake	79 000 000	0.69	–	–	–	0.017	0.16	3.0
Claude Resources	Elizabeth Lake	4 985 938	0.73	–	–	–	–	–	–
Boart–Longyear	Brabant/PEG	4 860 000	0.57	5.19	0.28	–	–	0.20	22.6
Hudson Bay Expl.	FON Zone	4 650 307	–	4.60	–	–	–	–	–
Con. Pine Channel	Axis Lake	3 402 000	0.60	–	–	0.60	0.15	–	–
Petro Plus Inc.	George Lake	2 630 880	–	3.67	0.53	–	–	–	–
Aur Resources	Schotts Lake	1 983 850	0.61	1.35	–	–	–	–	–
Ducommun, Margaret	Gochager Lake	1 542 240	0.74	–	–	0.74	–	–	–
Aur–Cameco Corp.	Bigstone Lake	1 451 000	2.90	–	–	–	–	–	–
		308 000	–	11.20	–	–	–	–	–
Shane Resources	Brownell Lake	1 251 900	0.56	1.75	–	–	–	–	–
Cons. Pine Channel	Currie Lake	47 536	–	–	–	0.79	–	–	–

Notes:
* Operator first.

carried out on a series of small grids in the Flin Flon area.

Glennie Domain

Knife Lake Project

Leader Mining International Inc. encountered exceptionally high-grade silver values in its 1999 drill program at the Knife Lake base and precious metals project in the Scimitar Lake area of the Glennie Domain, 110 km northwest of Flin Flon. This 23 hole, 1592 m program was designed to follow up a silver discovery made in March 1998. In the most recent work, drill holes containing intersections of note included: DDH.320 with 3400 g/t (99.1 oz/ton) Ag over 3 m; DDH.322 with 416.7 g/t (12.2 oz/ton) Ag over 9 m; DDH.334 with 161.8 g/t (4.7 oz/ton) Ag over 15 m; and DDH.337 with 190.5 g/t (5.6 oz/ton) Ag over 18 m. All values are assumed to be uncut.

On November 4, 1999, Leader Mining International Inc. announced it had signed a Memorandum of Understanding with Korea Resources Corporation (Kores) to further explore and develop the Knife Lake Project. Under the terms of the agreement, Kores has the right to earn up to a 50 percent working interest in the Knife Lake Project by making an investment of $5.2 million including cash payments of $1.2 million to Leader and funding $4.0 million of exploration/ development work. Furthermore, a bonus payment of $0.3 million is payable to Leader upon the start of commercial production.

Sub-Phanerozoic Area

McIlvenna Bay Deposit

Foran Mining Corporation's (Foran) McIlvenna Bay deposit is a VMS-type deposit hosted by altered felsic volcanic rocks. The deposit consists of the main steeply northwest-dipping and plunging Lens 2 Massive Sulphide and two smaller lower grade sulphide lenses (Nos. 1 and 3). Lens 2 consists of a 0.5 to 20 m thick horizon of massive to semi-massive sulphides underlain by up to 60 m of copper sulphide stringers. The stringer zone has an average grade of 1 to 2 percent Cu.

Foran continued to evaluate the McIlvenna Bay deposit in late 1998 and 1999. A 5500 m Phase I program of infill drilling was completed on a 6.5 million tonne part of the 13.5 million tonne No. 2 lens to try to raise it into the probable reserve category. This was followed up by a 9500 m Phase II program of stepout drilling which was designed to further expand the known geological resource. Both phases of drilling attained their goals. The Cu-Au stringer zone was expanded, the potential size of the deposit was increased, and the upper east and west zones were better defined. Phase II drill hole MB-99-107 intersected a new sulphide lens, the Upper West Zone, stratigraphically below any previously intersected mineralization.

On November 4, 1999, Foran released the results of an independently audited revised resource estimate for the McIlvenna Bay deposit. Total combined indicated and inferred resources for the Lens 2 Massive Sulphide and the newly discovered Upper West Zone are now 11.4 million tonnes grading 6.08% Zn, 0.94% Cu, 0.45% Pb, 0.45 g/t Au, and 24.40 g/t Ag. Indicated and inferred resources have also been estimated for the copper stringer zone underlying the Lens 2 Massive Sulphide and Upper West Zones. The total indicated and inferred copper stringer resource is 11.7 million tonnes with a grade of 1.79% Cu, 0.48% Zn, 0.57 g/t Au, and 11.96 g/t Ag.

Foran Mining also completed a program of grid geological mapping in the Jackpine Lake area. HBED continued to actively explore for base metals under the Phanerozoic cover rocks in 1999. They completed limited ground geophysics in the Hanson Lake area and continued to drill test Spectrum EM anomalies in the Suggi-Windy Lake area.

COPPER-NICKEL SULPHIDES AND PGE

Rottenstone Domain

In 1999, Uravan Minerals Inc. continued to explore for Pt-Pd-Ni-Cu in the Rottenstone Domain adjacent to, and along strike from, the old Rottenstone Mine which closed in 1969. The Rottenstone deposit consists of dense net-textured, disseminated, and rare massive PGM-Ni-Cu mineralization within a harzburgite-orthopyroxene sill cutting a migmatized pelite horizon. The mine produced 26 057.8 t of ore which averaged 3.28% Ni, 1.83% Cu, and 9.63 g/t PGM and Au. The PGM grades are exceptionally high. Four channel samples, taken from the mine tailings, contained an average of 2.54 g/t PGM and Au.

Uravan Minerals Inc. completed a high-resolution airborne magnetic and VLF-EM survey, at a line spacing of 200 m, over its 72 km long by 7 km wide property. A ground TEM/magnetic survey followed this on a grid immediately to the northeast of the inactive Rottenstone mine open pit and along trend with a known airborne VLF/magnetic anomaly. Uravan plans to expand the area covered by this survey after freezeup. This fall, a helicopter-conducted biogeochemical survey was also completed over the entire property.

In October, Uravan completed a 1273 m nine hole diamond drill program that focused on three broadly separated areas of significant TEM conductivity and coincident total field magnetic highs. One of these targets was immediately adjacent to the Rottenstone open pit and the others are approximately 500 m (Conductor B) and 1600 m (Conductor A) to the northeast. Although analytical data are pending, the

company was extremely encouraged as sulphide-bearing ultramafic rocks were intersected at all three targets. This work has significantly extended the known distribution of sulphide-bearing ultramafic rocks in the vicinity of the Rottenstone Mine.

RARE EARTHS

Great Western Gold Corp. optioned the Hoidas Lake rare earth property located due north of the east end of Lake Athabasca close to the provincial boundary with the Northwest Territories. The company surveyed 14 old trenches and completed seven new ones. Sampling and geological mapping were also undertaken. The new trenches expose the shear zone over widths of 6.4 to 16 m, a considerable increase over the previously reported 2 to 5 m. The zone appears mainly to be sheared and heavily oxidized pegmatite which contains strong allanite mineralization visible in all trenches. The footwall mineralization has been traced over a 406 m strike length. A parallel shear zone, discovered 30 m to the west of the main shear zone, has been traced for 100 m. Previous composite trench samples assayed up to 14.6 percent total rare earth oxide giving a gross value, based on current pricing for refined rare earth oxides, of over US $4,000/t. The six most common rare earth elements in the deposit are cerium, gadolinum, lanthanum, neodymium, samarium, and praseodymium. Because of the significant increase in width of the main zone and the discovery of a parallel structure, phase II exploration will be expanded in scope. This program will include a substantial ground geophysical survey followed by a drill program designed to test a larger tonnage potential.

DIAMONDS

On October 1, 1999, the amount of land under disposition for diamond exploration was approximately 315 700 ha, down 47 percent from the same date in 1998. This figure is low compared to the 4 million ha under disposition at the height of the diamond boom in 1994. Although Pure Gold Minerals Inc. and CaribGold Resources Inc. hold property in the Wood Mountain area of southern Saskatchewan, all of this year's estimated diamond exploration dollars of $2 million was spent in an area running across the province between latitudes 53° and 55° which includes: Fort-à-la-Corne (FALC); the Pasquia Hills; the Molanosa Arch; and the Candle, Sturgeon, Smoothstone, and Wapawekka lakes areas.

Candle Lake Project

Kennecott Canada Exploration Inc., operator of the Candle Lake joint venture, terminated its participation and will no longer hold any interest in either the joint venture or the properties. A 1998 mini-bulk sample was obtained by drilling two 27 cm diameter reverse circulation drill holes into kimberlite body C29/30. Approximately 7.6 t of kimberlite (dry weight) was recovered from a nominal weight of 17.6 t indicating a 43 percent overall recovery factor. Initial processing was designed to recover diamonds larger than 1 mm in size using dense media separation. A total of 0.28 carats were recovered from the sample suggesting an effective grade of approximately 3.7 carats/100 t (Table 5).

The two largest stones recovered weighed 0.08 carats each. The majority of the stones were white and transparent, but only 40 percent were intact, suggesting fracturing may have taken place during drilling.

Although these results are disappointing, War Eagle Mining Co. Inc. and Great Western Gold Corp., the other two partners in the joint venture, believe it would be premature to abandon the project. Previous core drilling results on C29/30 gave predicted grades as high as 27 carats per 100 t and yielded macro:micro diamond ratios that indicated good potential for a population distribution with coarse diamond potential. The average size of the diamonds recovered in hole C30RC-03 is 20 percent larger than the average size of all diamonds recovered in Saskatchewan to date. Because management feels that higher recovery sampling is necessary before the larger diamond potential of the kimberlite is ruled out, they plan taking a new minibulk sample next winter using large (up to 6") diameter drill core.

Fort-à-la-Corne Joint Venture

The Fort-à-la-Corne project is a joint venture between operator Monopros Ltd. (38 percent), Kensington Resources Ltd. (38 percent), and Cameco Corporation (24 percent). Exploration is focussed on 69 magnetically defined kimberlite bodies, which together form one of the largest kimberlite fields in the world. Geophysical modeling of the bodies has shown their areas to range from 2.7 to 184 ha, with estimated tonnages of 3 to 675 million tonnes. The kimberlite bodies are relatively unique in that they are dominantly composed of pyroclastic crater-facies rocks.

Table 5 - Kennecott Canada Exploration Inc. 1998 mini-bulk sample results from kimberlite body C29/30.

Hole No.	Theoretical Weight (t)	Dry Sample Weight (t)	Carats Recovered	Sample Recovery (percent)	Carats/100 t
C30RC-02	11.63	4.59	0.03	39.47	0.65
C30RC-03	5.92	3.00	0.25	50.26	8.28
	17.55	7.59	0.28	43.11	3.65

The $681,294, 1999 program in which Cameco elected not to contribute funds, consisted of four reverse circulation, airblast, 11-3/4" diameter holes to collect samples from kimberlite bodies 147 and 220 which join with other bodies to form a mega-cluster. Two drill holes were targeted on kimberlite 220 and another two on kimberlite 147. Approximately 64 t of kimberlite material was retained from a theoretical mass of 87 t from these four drill holes. Grab samples collected over one and six metre intervals were retained for petrographic examination, potential microdiamond recoveries, geochemical studies and to be put in a permanent archive collection. Composite grab samples from the 1999 program were submitted to the De Beers laboratory facility in South Africa for microdiamond recoveries. Stones recovered from these microdiamond samples will augment the database and enable determination of more reliable grade forecasts for commercial size diamonds in kimberlite bodies 147 and 220. To maintain consistency of results, both De Beers and Dr. Luc Rumbouts will evaluate macrodiamonds recovered from the 1999 minibulk samples.

Technical difficulties with diamond recovery have arisen. Monopros initially reported the recovery of 58 macrodiamonds (>1.0 mm) from the 1999 winter drilling X-ray concentrate, which was half the number expected, based on previous drilling. As a number of stones were recovered from X-ray tailings in 1997, all 1999 X-ray tailings were visually examined and a further 69 stones found. The diamonds recovered in the 1999 X-ray tailings have unusually low luminescence values, which are lower than the detection limit of the X-ray recovery unit and this explains the large number of stones reported in the tailings. It is worth noting that this recovery unit is considerably more sensitive than normal "run of mine" recovery units and is running within calibrated confidence limits. X-ray recovery was utilized as the primary recovery method in 1990, 1991, 1997, and 1999. Visual tailings inspections have now taken place for all 1997 and 1999 work. Tailings from 1990 and 1991 will be visually re-sorted and the results made available in due course.

In the latter part of 1999, further microdiamond analyses are planned on various kimberlites from material held in archive. The joint venture partners expect the new information will help determine those kimberlites with the greatest economic potential.

Fort-à-la-Corne – Other Companies

Shore Gold Inc. announced efforts to raise $750,000 to cover the costs of their planned 1999 drill program on its 100 percent owned FALC property at the south end of the kimberlite trend. Drilling in 1997 intersected four distinct kimberlite zones in two large diameter core holes drilled in the large kimberlite body, located on the western side of the property, close to previous hole 96-3. The two most significant zones are a 45 m thick, highly diamondiferous kimberlite "flow" near the top of the rock sequence and, 50 m below it, a 4 m thick zone which also returned a good diamond count. The planned 10 hole drill program will be designed to test and better delineate the diamondiferous horizons over a wider area using a combination of NQ and PQ sized drill holes. If results of the current program are encouraging, an underground program is being planned for 2000-01.

Shane Resources Ltd. acquired 2104 new ha by staking and the mineral rights to a further 14 165 ha through an agreement with the James Smith Cree Nation. Shane now has the mineral rights to about 18 210 ha making it one of the largest participants in the FALC area. The company has completed geophysical surveys of its original property and plans both airborne and ground geophysical surveys on the newly acquired ground. Previous geophysical work indicated the possibility of kimberlite bodies on Shane's property.

SILICA SAND

Providing financing is in place, Daren Resources Ltd., who is developing a project to quarry silica sand in the Hanson Lake area of Saskatchewan, expects to be in production in June of 2000. Silica sand is widely used by the oil and gas industry as a frac sand used for well completions. The Hanson Lake silica sands have long been regarded as suitable for this purpose. Other applications for the silica sand are possible considering the high purity (99+ percent quartz).

The main obstacle to development for Daren Resources Ltd. has been access to the sands. Now with Foran Mining Inc. requiring access to the south end of McIlvenna Bay on Hanson Lake, Daren is optimistic that their project will be financed. Foran Mining is planning to build an "all weather access road" this winter. Road access will improve the attractiveness of the silica sand project by reducing capital costs and, more importantly, increasing the project's flexibility to operate in the summer months.

ACKNOWLEDGMENTS

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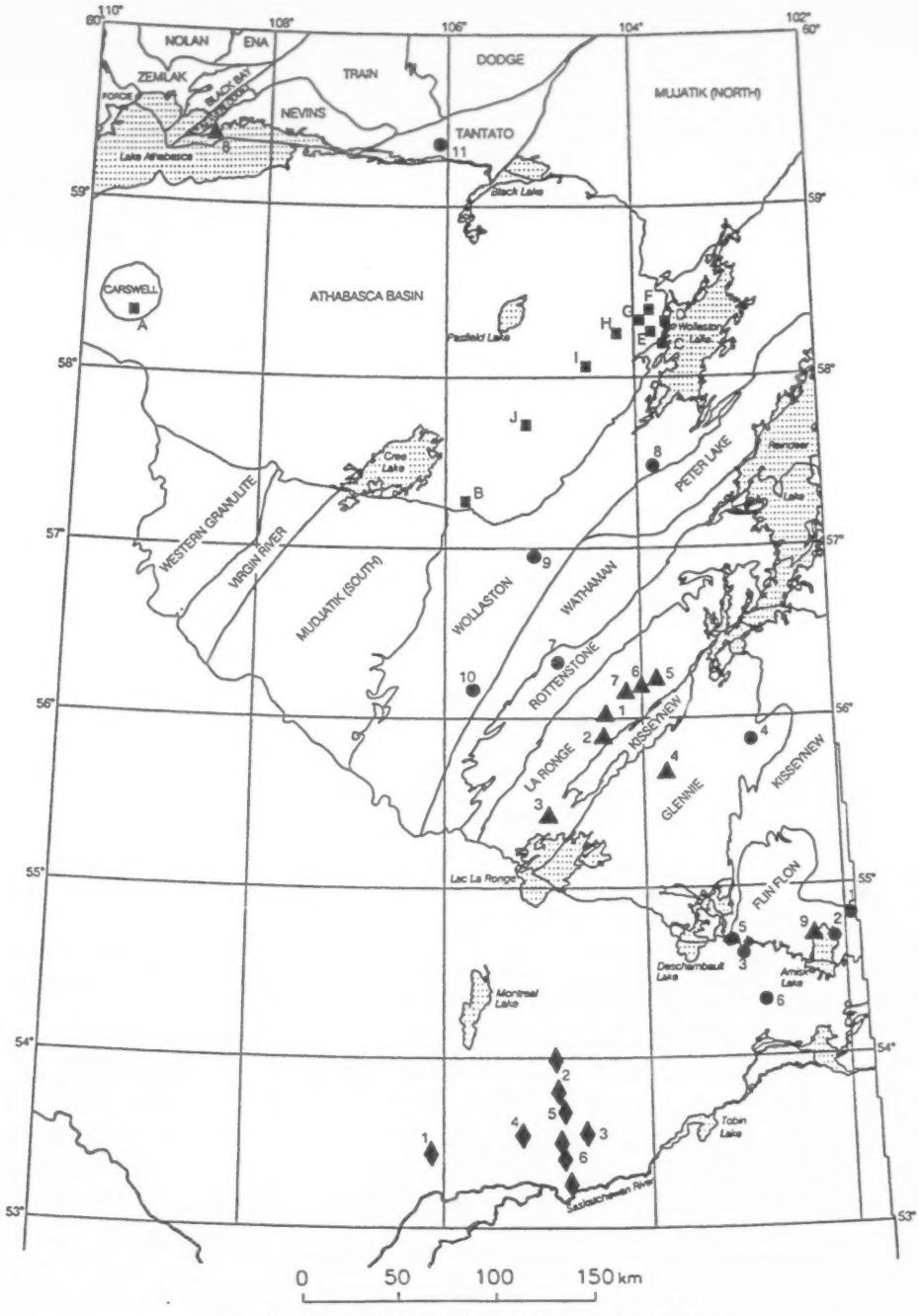

MINERAL DEPOSITS AND EXPLORATION AREAS

***Uranium** (squares): (A) Cluff Lake, (B) Key Lake, (C) Rabbit Lake, (D) Collins Bay–Eagle Point, (E) McClean Lake, Trend, (F) McClean Lake, Jeb, (G) Dawn Lake, (H) Midwest, (I) Cigar Lake, and (J) McArthur River, P2 North.*
***Gold** (triangles): (1) Jolu and Star Lake mines, (2) Jasper mine, (3) Contact Lake mine, (4) Seabee mine, (5) Golden Heart deposit, (6) Komis mine, (7) Tower East deposit and Memorial showing, (8) Box and Athona mines, and (9) Laural Lake deposit and Prince Albert–Monarch mine.*
***Base Metals** (circles): (1) Flin Flon and Callinan mines, (2) Konuto Lake, (3) McIlvenna Bay deposit, (4) Knife Lake deposit, (5) Western Nuclear mine, (6) Suggi-Windy Lake, (7) Rottenstone mine, (8) George and Spence lakes, (9) Janice Lake, (10) Sito Lake, and (11) Currie-Axis Lake.*
***Kimberlites** (diamonds): (1) Sturgeon Lake, (2) Candle Lake, (3) Snowden, (4) Foxford, (5) Jacquine Lake, and (6) Fort-à-la-Corne.*

SASKATCHEWAN MINERAL PROPERTIES AVAILABLE FOR OPTION AND/OR JOINT VENTURE

Gold and Silver Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Amisk Lake	S- 99730	63L-9 Flin Flon	Au			Soil anomaly >1000 ppb Au	Shear zone with pyrite, arsenopyrite & native Au	Angell's Resources Ltd. Gerry Angell (306) 362-2112
Dianne Lake	S-104978	74N-10 Black Bay close to its contact with Zemlak	Ag-Cu-Ni-Co			Grab sample High-grade Ag, Ni 12,603 ppm, Cu 3,819 ppm, Co 3,445 ppm	Polymetallic high-grade silver carbonate veins	Norac Exploration Ltd. Rod Dubnick (306) 425-3214
Dickens Lake Greywacke	CBS 8911 CBS 6930 S-101079 S- 99911 S-101254 S-101476 S-101817 S-101818	73P-15 MacLean	Au	297 710	9.2 g/t	1.27 g/t Au over 0.5 m 32 g/t over 7.5 m	Disseminated gold in clastic metasedimentary rocks	Cameco Corporation Dave Thomas (306) 956-6439
Nirdac Creek	CBS 7761	64M-13 Mudjatik	Au			Drill hole: 0.401 oz/t Au over 1.5 m 0.27 oz/t Au over 2.5 m Bulk sample 350 m up-ice from drilling: 11.97 oz/t Au	Iron formation hosted gold	Highrock Contracting Rod Spooner (306) 425-2828
Phantom Lake Property	CBS 3194	63K-12 Flin Flon	Au			Chip sample 93.0 g/t Au over 3.0 m	Shear-hosted quartz veining	Ray-Dor Resources Richard Murray (204) 887-4905
Tansi (Stanley Road)	S-106017 S-106019 S-106278	73P-7 La Ronge	Au			1st area assays up to 3.59 g/t Au. 2nd area up to 4.69 g/t Au	2 areas of sheared contorted iron formation. 1st area Po>Cp>Sf	Consolidated Pine Char Gold Corp. Dale Hoffman 1-800-661-4050
Upises Lake	S-106151	73P-7 La Ronge	Au			Grab sample 6 oz/t Au Historical assay of 0.2 to 11.0 oz/t Au	Shear-hosted quartz vein	Highrock Contracting Rod Spooner (306) 425-2828
Wildnest Property	CBS 3245	63M-1 Kisseynew	Au-Zn-Pb	660 000	3.5 g/t Au		Silicified shear zone in gneiss	Ray-Dor Resources Richard Murray (204) 887-4905
Wedge Lake	S-105628 S-105629	64D-4 La Ronge	Au	600 000	0.15 oz/ton Au	Drill hole 0.415 oz/ton Au over 26.6 m & 0.288 oz/ton Au over 5.4 m	Stratabound gold mineralization and cross-cutting gold mineralized quartz veins	Northern Star Res. Inc. Randy Studer (306) 425-3350

Uranium Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Cree Lake	S-105977 S-106193	74G-07+10 Athabasca/ Virgin River, Mudjatik	U			Anomalous boulder train. EM conductor. Chlorite-illite-kaolinite-dravite-alteration	Unconformity type	Argonaut Res. Ltd. L. Clark (604) 533-0022
Duddridge Lake	S-106070 S-106071	73O-9 Wollaston	U-Cu	357 310	2.11 lbs U_3O_8/ton	9.8% U_3O_8	Sandstone-hosted uranium mineralization	Larry Sostad (604) 990-5327
Key Lake area	S-106110	74H-7 Athabasca/ Wollaston	U			Airborne EM conductor Boulders with up to 3% U	Unconformity-type uranium mineralization	Service Management Carl Service (306) 373-6052
Rabbit Lake area	S-106113 S-106114	64L-4 and -5 Wollaston	U			Geophysical EM conductors	Unconformity-type uranium mineralization	Service Management Carl Service (306) 373-6052
Spring Point	S- 9909	74N-5 Athabasca/ Forcie	Ni-Cu-Co U			Drill results within sandstone. Up to 2.9% Co and 1.7% Ni. Also close to the unconformity 440 ppm U over 1.3 m	Unconformity type mineralization alteration in sandstone and basement	Norac Exploration Ltd Rod Dubnick (306) 425-3214

Wollaston Lake area	S-106109 (Michael) S-106111 (Monica) S-106112(Rubber Duck)	64E-13 64L-4 74H-16 Athabasca/ Wollaston	U			EM conductors & cross cutting faults; airborne U anomaly	Unconformity-type uranium mineralization	Service Management Carl Service (306) 373-6052

Nickel, Copper and Cobalt Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Axis Lake	S-103569	74P-5 Tantato	Ni - Cu - Co	3 402 000	0.6% Ni 0.6% Cu 0.15% Co		Differentiated mafic (norite) intrusion	Consolidated Pine Channe Gold Corp. Dale Hoffman 1-800-661-4050
Cume Lake	S-103567	74O-8 Tantato	Ni - Cu - Co	47 537	0.79% Ni	1.17% Ni & 0.30% Cu over 2.0 m	Differentiated mafic (norite) intrusion	Consolidated Pine Channe Gold Corp. Dale Hoffman 1-800-661-4050
Gochagar Lake Ivy	S- 97963 S- 97970 S-100209 S-100221 S-100226 S-100227	73P-15 La Ronge / Crew	Ni - Cu - Co	1 542 240	0.74% Ni-Cu combined		Disseminated massive sulphide in ultramafic intrusion	Margaret Ducommun (306) 425-3081
Howard Lake	ML 5180	73P-5 La Ronge	Ni-Cu-Co			Drill hole 2.44% Ni 0.49% Cu & 0.09% Co over 20 ft	Differentiated mafic intrusion	Walter Shupe (306) 425-2182
Rea Lake	S-103569	74P-5 Tantato	Ni - Cu - Co	63 867 000	0.1% Ni 0.1% Cu		Differentiated mafic (norite) intrusion	Consolidated Pine Chann Gold Corp. Dale Hoffman 1-800-661-4050

Base Metal Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Bomber Lake	S- 98861	63K-12-NW	Cu-Au-Zn-Ag	Smelted (1968) 28 t	12.4% Cu 2.4 oz/t Ag 0.45 oz/t Au	Yes	Volcanic Massive Sulphide	Mid-North Resources Rob Dunlop (403) 283-3619
Brabant/Peg/ McKenzie	ML 5054	64D-4 La Ronge	Zn-Cu-Pb	4 860 000	5.19% Zn 0.57% Cu 0.28% Pb 22.6 g/t Ag 0.22 g/t Au		Sediment-hosted stratiform base metal deposit	Boart Longyear Inc. Bob Fleming 1-800-461-7333
Complusion River	S-101742 to S-101749 S-101471 S-101472 S-104828 CBS 7829 CBS 7830	64E-12 Wollaston	Pb-Zn			Over 45 m anomalous Zn in several drill holes. A 0.5 X 7 km till geochem anomaly	Sedex	Far West Mining Ltd. Pat Varas (604) 602-9144
Dianne Lake	S-106116	74N-10-NW Black Bay close to its contact with Zemlak	Cu Minor Ag			53% of samples taken assaysed >0.5% Cu. Assays reached 9.3% Cu. Ag generally <1 oz/ton	Chalcopyrite and bornite in quartzo-feldspathic biotitic gneisses	Consolidated Pine Chan Gold Corp. Dale Hoffman 1-800-661-4050
George Lake Zinc-Lead Deposit	S-105411 S-105412 S-105626	64E-5 Wollaston	Zn-Pb	13 368 249	2.76% Zn 0.36% Pb		Sediment-hosted base metal deposit	Northern Star Res. Inc. Randy Studer (306) 425-3350

SASKATCHEWAN MINERAL PROPERTIES AVAILABLE FOR OPTION AND/OR JOINT VENTURE

Gold and Silver Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Amisk Lake	S- 99730	63L-9 Flin Flon	Au			Soil anomaly >1000 ppb Au	Shear zone with pyrite, arsenopyrite & native Au	Angell's Resources Ltd. Gerry Angell (306) 362-2112
Dianne Lake	S-104978	74N-10 Black Bay close to its contact with Zemlak	Ag-Cu-Ni-Co			Grab sample High-grade Ag, Ni 12,603 ppm, Cu 3,819 ppm, Co 3,445 ppm	Polymetallic high-grade silver carbonate veins	Norac Exploration Ltd. Rod Dubnick (306) 425-3214
Dickens Lake Greywacke	CBS 8911 CBS 6930 S-101079 S- 99911 S-101254 S-101476 S-101817 S-101818	73P-15 MacLean	Au	297 710	9.2 g/t	1.27 g/t Au over 0.5 m 32 g/t over 7.5 m	Disseminated gold in clastic metasedimentary rocks	Cameco Corporation Dave Thomas (306) 956-6439
Nirdac Creek	CBS 7761	64M-13 Mudjatik	Au			Drill hole: 0.401 oz/t Au over 1.5 m 0.27 oz/t Au over 2.5 m Bulk sample 350 m up-ice from drilling: 11.97 oz/t Au	Iron formation hosted gold	Highrock Contracting Rod Spooner (306) 425-2828
Phantom Lake Property	CBS 3194	63K-12 Flin Flon	Au			Chip sample 93.0 g/t Au over 3.0 m	Shear-hosted quartz veining	Ray-Dor Resources Richard Murray (204) 887-4905
Tansi (Stanley Road)	S-106017 S-106019 S-106278	73P-7 La Ronge	Au			1st area assays up to 3.59 g/t Au. 2nd area up to 4.69 g/t Au	2 areas of sheared contorted iron formation. 1st area Po>Cp>Sf	Consolidated Pine Chann Gold Corp. Dale Hoffman 1-800-661-4050
Upises Lake	S-106151	73P-7 La Ronge	Au			Grab sample 6 oz/t Au Historical assay of 0.2 to 11.0 oz/t Au	Shear-hosted quartz vein	Highrock Contracting Rod Spooner (306) 425-2828
Wildnest Property	CBS 3245	63M-1 Kisseynew	Au-Zn-Pb	660 000	3.5 g/t Au		Silicified shear zone in gneiss	Ray-Dor Resources Richard Murray (204) 887-4905
Wedge Lake	S-105628 S-105629	64D-4 La Ronge	Au	600 000	0.15 oz/ton Au	Drill hole 0.415 oz/ton Au over 26.6 m & 0.288 oz/ton Au over 5.4 m	Stratabound gold mineralization and cross-cutting gold mineralized quartz veins	Northern Star Res. Inc. Randy Studer (306) 425-3350

Uranium Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Cree Lake	S-105977 S-106193	74G-07+10 Athabasca/ Virgin River, Mudjatik	U			Anomalous boulder train. EM conductor. Chlorite-illite-kaolinite-dravite-alteration	Unconformity type	Argonaut Res. Ltd. L. Clark (604) 533-0022
Duddridge Lake	S-106070 S-106071	73O-9 Wollaston	U-Cu	357 310	2.11 lbs U_3O_8/ton	9.8% U_3O_8	Sandstone-hosted uranium mineralization	Larry Sostad (604) 990-5327
Key Lake area	S-106110	74H-7 Athabasca/ Wollaston	U			Airborne EM conductor Boulders with up to 3% U	Unconformity-type uranium mineralization	Service Management Carl Service (306) 373-6052
Rabbit Lake area	S-106113 S-106114	64L-4 and -5 Wollaston	U			Geophysical EM conductors	Unconformity-type uranium mineralization	Service Management Carl Service (306) 373-6052
Spring Point	S- 9909	74N-5 Athabasca/ Forcie	Ni-Cu-Co U			Drill results within sandstone. Up to 2.9% Co and 1.7% Ni. Also close to the unconformity 440 ppm U over 1.3 m	Unconformity type mineralization alteration in sandstone and basement	Norac Exploration Ltd. Rod Dubnick (306) 425-3214

Wollaston Lake area	S-106109 (Michael) S-106111 (Monica) S-106112(Rubber Duck)	64E-13 64L-4 74H-16 Athabasca/ Wollaston	U			EM conductors & cross cutting faults; airborne U anomaly	Unconformity-type uranium mineralization	Service Management Carl Service (306) 373-6052

Nickel, Copper and Cobalt Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Axis Lake	S-103569	74P-5 Tantato	Ni - Cu - Co	3 402 000	0.6% Ni 0.6% Cu 0.15% Co		Differentiated mafic (norite) intrusion	Consolidated Pine Channel Gold Corp. Dale Hoffman 1-800-661-4050
Currie Lake	S-103567	74O-8 Tantato	Ni - Cu - Co	47 537	0.79% Ni	1.17% Ni & 0.30% Cu over 2.0 m	Differentiated mafic (norite) intrusion	Consolidated Pine Channel Gold Corp. Dale Hoffman 1-800-661-4050
Gochagar Lake Ivy	S- 97963 S- 97970 S-100209 S-100221 S-100226 S-100227	73P-15 La Ronge / Crew	Ni - Cu - Co	1 542 240	0.74% Ni-Cu combined		Disseminated massive sulphide in ultramafic intrusion	Margaret Ducommun (306) 425-3081
Howard Lake	ML 5180	73P-5 La Ronge	Ni-Cu-Co			Drill hole 2.44% Ni 0.49% Cu & 0.09% Co over 20 ft	Differentiated mafic intrusion	Walter Shupe (306) 425-2182
Rea Lake	S-103569	74P-5 Tantato	Ni - Cu - Co	63 867 000	0.1% Ni 0.1% Cu		Differentiated mafic (norite) intrusion	Consolidated Pine Channel Gold Corp. Dale Hoffman 1-800-661-4050

Base Metal Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Bomber Lake	S- 98861	63K-12-NW	Cu-Au-Zn-Ag	Smelted (1968) 28 t	12.4% Cu 2.4 oz/t Ag 0.45 oz/t Au	Yes	Volcanic Massive Sulphide	Mid-North Resources Rob Dunlop (403) 283-3619
Brabant/Peg/ McKenzie	ML 5054	64D-4 La Ronge	Zn-Cu-Pb	4 860 000	5.19% Zn 0.57% Cu 0.28% Pb 22.6 g/t Ag 0.22 g/t Au		Sediment-hosted stratiform base metal deposit	Boart Longyear Inc. Bob Fleming 1-800-461-7333
Complusion River	S-101742 to S-101749 S-101471 S-101472 S-104828 CBS 7829 CBS 7830	64E-12 Wollaston	Pb-Zn			Over 45 m anomalous Zn in several drill holes. A 0.5 X 7 km till geochem anomaly	Sedex	Far West Mining Ltd. Pat Varas (604) 602-9144
Dianne Lake	S-106116	74N-10-NW Black Bay close to its contact with Zemlak	Cu Minor Ag			53% of samples taken assaysed >0.5% Cu. Assays reached 9.3% Cu. Ag generally <1 oz/ton	Chalcopyrite and bornite in quartzo-feldspathic biotitic gneisses	Consolidated Pine Channe Gold Corp. Dale Hoffman 1-800-661-4050
George Lake Zinc-Lead Deposit	S-105411 S-105412 S-105626	64E-5 Wollaston	Zn-Pb	13 368 249	2.76% Zn 0.36% Pb		Sediment-hosted base metal deposit	Northern Star Res. Inc. Randy Studer (306) 425-3350